Message Text

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ACTION ARA-20

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-11 L-03

NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03 SS-20

USIA-15 AID-20 EB-11 OMB-01 TRSE-00 CIEP-03 AGR-20

OPIC-12 DRC-01 /164 W

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R 262005Z AUG 74 FM AMEMBASSY SANTO DOMINGO TO SECSTATE WASHDC 1319 INFO USDOC WASHDC

UNCLAS SANTO DOMINGO 3524

E.O. 11652: N/A

TAGS: EINV, EAID, DR

SUBJECT: GULF AND WESTERN TURNS OVER LAND TO PRIVATE OWNERSHIP

1. GULF AND WESTERN AMERICAS HAS ANNOUNCED A PROPOSAL IT HAS MADE TO THE DOMINICAN GOVERNMENT BY WHICH THE COMPANY WOULD EXPAND CONSIDERABLY ITS TWO-YEAR OLD PROGRAM OF SELLING SUGAR LAND TO LOCAL SUGAR CULTIVATORS (COLONOS). THE TRANSFER WOULD TAKE PLACE IN THREE STAGES, EACH TOTALLING 10,000 ACRES OF LAND ALREADY PLANTED WITH CANE. IN THE PREVIOUS TWO YEARS OF THE PROGRAM 3,700 ACRES OF LAND WERE TRANSFERRED. ACCORDING TO THE GULF AND WESTERN ANNOUNCEMENT, PREFERENCE WILL BE GIVEN TO HEADS OF AMILIES WITHOUT LAND; PRICES WILL BE LOW AND PAYMENT WILL BE OVER 10 YEARS WITH A 5 PERCENT INTEREST RATE.GULF AND WESTERN WILL OFFER TECHNICAL ASSISTANCE TO THE NEW LANDOWNERS. THE COMPANY ALSO POINTED OUT THAT ONE EFFECT OF THE SALE WOULD BE TO REDUCE GULF AND WESTERN'S CAPITAL BASE IN THE DOMINICAN REPUBLIC THUS LOWERING THE AMOUNT OF PROFITS IT COULD LEGALLY REPATRIATE TO THE US.

2. ON AUGUST 24 THE PRESITIGIOUS DAILY LISTIN DIARIO REPORTEDTHE GULF AND WESTERN PROPOSAL AS THE LEADING UNCLASSIFIED

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NEWS ITEM. THE SAME DAY, THE PAPER NOTED IN AN EDITORIAL

THAT GULF AND WESTERN "IN RECENT YEARS HAS DEMONSTRATED AN INCREASING SENSE OF SOCIAL RESPONSIBILITY" AND CALLED THE NEW PROGRAM " A GREAT EXAMPLE".

3. COMMENT: THIS EXPANDED PROGRAM SHOULD IMPROVE SOMEWHAT THE IMAGE OF GULF AND WESTERN, WHICH HAS BEEN REGULARLY CRITICIZED FOR ITS LARGE HOLDINGS OF LAND IN THE EASTERN PART OF THE COUNTRY. THE PLAN ALSO COMPLEMENTS PRESIDENT BALAGUER'S LAND REFORM PROGRAM.. HURWITCH

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Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

Current Classification: UNCLASSIFIED

Concepts: SUGAR, BUSINESS FIRMS, PROPOSALS (BID), AGRICULTURAL LAND, REAL PROPERTY ACQUISITION, PRIVATE INVESTMENTS,

LAND REFORMS Control Number: n/a Copy: SINGLE

Draft Date: 26 AUG 1974 Decaption Date: 01 JAN 1960

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Disposition Date: 01 JAN 1960
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Review Markings:

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Subject: GULF AND WESTERN TURNS OVER LAND TO PRIVATE OWNERSHIP TAGS: EINV, EAID, DR, GULF & WESTERN AMERICAS
To: STATE

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